

## Commodity Highlight: Bell Peppers

Over the past 2 decades, the demand for sweet, mild peppers has been rising, reaching a record high in 2000. Bell peppers (green, red, purple, and yellow) are the most common sweet pepper and are found in virtually every retail produce department and backyard garden.

The genus *Capsicum* and species *annuum* includes most of the peppers grown in the U.S. These can be further grouped into two broad categories—chile peppers which are pungent (hot) and sweet peppers which are non-pungent (mild). The U.S. produces 4 percent of the world's capsicum peppers (sweet and hot), ranking sixth behind China, Mexico, Turkey, Spain, and Nigeria. With strong demand, U.S. growers harvested 12 percent more bell pepper acreage in 2000 than a year earlier.

Grown commercially in most States, 6,271 farms (1997 Census) ship bell peppers into the fresh and processing markets. The United States produced 1.7 billion pounds of bell peppers for all uses during 1998-2000. ERS estimates suggest less than 10 percent of production is used for processed products. Production has been trending higher, reaching a record high in 2000. Bell peppers are produced and marketed year-round, with domestic shipments peaking during May and June and import shipments highest during the winter months.

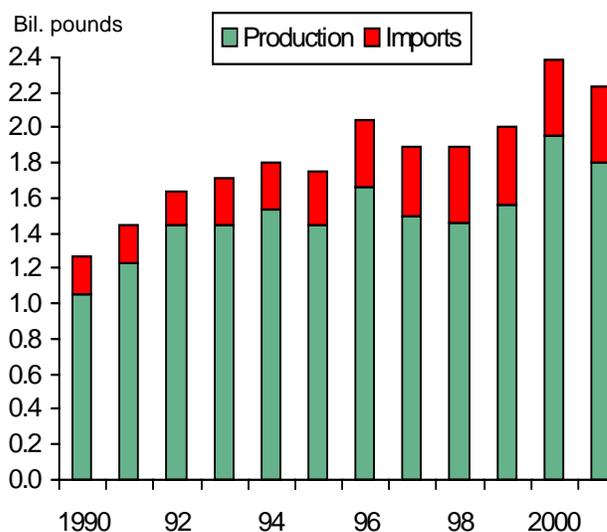
Gross farm cash receipts from bell peppers have risen 32 percent over the past 5 years. From 1998 to 2000, receipts for bell peppers averaged \$535 million—with an estimated retail value of over \$1.7 billion.

Although bell peppers are grown in 48 States, the U.S. industry is largely concentrated in California and Florida, which together accounted for 78 percent of output in 2000. New Jersey, Georgia, and North Carolina round out the top 5 producing States. According to the Census, about 4 percent of farms that produce sweet bell peppers account for 74 percent of the pepper area harvested.

During 1998-2000, about 460 California farms produced 46 percent of the nation's bell peppers—up 89 percent from 1988-1990. Florida follows California in bell pepper production, with 36 percent of the nation's output coming from about 128 farms. In addition to field-grown product, smaller volumes of domestically-produced and imported hothouse sweet peppers are also available year round.

Trade plays an important role in the U.S. fresh bell pepper market. About 7 percent of U.S. fresh-market supplies are exported, and 20 percent of fresh-market demand is satisfied by imports. Canada accounts for 98 percent of U.S. fresh-market export volume while Mexico, Canada, and the Netherlands supply most of the imported fresh bell peppers. In addition, the U.S. imported almost \$13 million of dried (unground) bell peppers in 2000, with Chile (\$7 million) and China (\$3 million) the largest suppliers. The United States also imported \$2 million in canned sweet bell pepper products in 2000—most from Turkey, Egypt, and Spain.

Figure 7  
U.S. bell peppers, all uses: Supply, 1990-2001



Source: USDA, NASS.

Table 7--U.S. bell peppers, all uses: Supply, utilization, and price, farm weight

Year	Supply			Utilization			Season-average price	
	Production 1/	Imports 2/	Total	Exports 2/	Domestic	Per capita use	Current dollars 1/	Constant 1996 dollars 3/
	-- Million pounds --					Pounds	-- \$/cwt --	
1980	549.4	174.2	723.6	66.5	657.1	2.9	22.70	39.55
1990	1,050.5	220.0	1,270.5	151.2	1,119.3	4.5	24.59	28.42
1998	1,455.6	438.9	1,894.5	127.8	1,766.7	6.5	34.80	33.71
1999	1,556.2	455.2	2,011.4	146.2	1,865.2	6.8	31.10	29.68
2000	1,952.5	436.9	2,389.4	157.6	2,231.8	8.1	31.50	29.46
2001 f	1,800.0	440.0	2,240.0	180.0	2,060.0	7.4	--	--

-- = Not available. f = ERS forecast. 1/ Source: National Agricultural Statistics Service, USDA. 2/ Source: Bureau of the Census, U.S. Department of Commerce. 3/ Constant-dollar prices were calculated using the GDP implicit price deflator, 1996=100.